
By: **Delegate Hammen**

Introduced and read first time: February 6, 2003

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Commission - Evaluation of Mandated Health**
3 **Insurance Services**

4 FOR the purpose of repealing the duty of the Maryland Health Care Commission to
5 make a certain evaluation and file a certain report under certain circumstances;
6 requiring the Commission to conduct an evaluation of existing mandated health
7 insurance services and make certain recommendations to the General Assembly;
8 requiring the evaluation to include certain assessments and a certain
9 comparison of certain mandated health insurance services; requiring the
10 Commission to submit a certain report to the General Assembly on or before a
11 certain date and every 4 years thereafter; and generally relating to the
12 evaluation of mandated health insurance services by the Maryland Health Care
13 Commission.

14 BY repealing and reenacting, with amendments,
15 Article - Insurance
16 Section 15-1502
17 Annotated Code of Maryland
18 (2002 Replacement Volume and 2002 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article - Insurance**

22 15-1502.

23 [(a) If, in accordance with § 15-1501(d) of this subtitle, the Commission
24 determines that the full cost of mandated health insurance services is equivalent to or
25 exceeds 2.2% of the State's average annual wage, the Commission:

26 (1) shall evaluate the social, medical, and financial impact of each
27 existing mandated health insurance service in accordance with the method
28 established for evaluating proposed mandated health insurance services under §
29 15-1501(c) of this subtitle; and

1 (2) shall submit a report on its findings to the General Assembly, subject
2 to § 2-1246 of the State Government Article, on or before October 1 of the following
3 year.]

4 (A) (1) THE COMMISSION SHALL CONDUCT AN EVALUATION OF EXISTING
5 MANDATED HEALTH INSURANCE SERVICES AND MAKE RECOMMENDATIONS TO THE
6 GENERAL ASSEMBLY REGARDING DECISION MAKING CRITERIA FOR REDUCING THE
7 NUMBER OF MANDATES OR THE EXTENT OF COVERAGE.

8 (2) THE EVALUATION SHALL INCLUDE:

9 (I) AN ASSESSMENT OF THE FULL COST OF EACH EXISTING
10 MANDATED HEALTH INSURANCE SERVICE AS A PERCENTAGE OF THE STATE'S
11 AVERAGE ANNUAL WAGE AND OF PREMIUMS FOR THE INDIVIDUAL AND GROUP
12 HEALTH INSURANCE MARKET;

13 (II) AN ASSESSMENT OF THE DEGREE TO WHICH EXISTING
14 MANDATED HEALTH INSURANCE SERVICES ARE COVERED IN SELF-FUNDED PLANS;
15 AND

16 (III) A COMPARISON OF MANDATED HEALTH INSURANCE SERVICES
17 PROVIDED BY THE STATE WITH THOSE PROVIDED IN DELAWARE, THE DISTRICT OF
18 COLUMBIA, PENNSYLVANIA, AND VIRGINIA.

19 (3) THE COMPARISON DESCRIBED IN PARAGRAPH (2)(III) OF THIS
20 SUBSECTION SHALL INCLUDE:

21 (I) THE NUMBER OF MANDATED HEALTH INSURANCE SERVICES;

22 (II) THE TYPE OF MANDATED HEALTH INSURANCE SERVICES;

23 (III) THE LEVEL AND EXTENT OF COVERAGE FOR EACH MANDATED
24 HEALTH INSURANCE SERVICE; AND

25 (IV) THE FINANCIAL IMPACT OF DIFFERENCES IN LEVELS OF
26 COVERAGE FOR EACH MANDATED HEALTH INSURANCE SERVICE.

27 (4) ON OR BEFORE JANUARY 1, 2004, AND EVERY 4 YEARS THEREAFTER,
28 THE COMMISSION SHALL SUBMIT A REPORT OF ITS FINDINGS TO THE GENERAL
29 ASSEMBLY, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

30 (b) The General Assembly may consider the information provided under
31 subsection (a) of this section in determining:

32 (1) whether to enact proposed mandated health insurance services; and

33 (2) whether to repeal existing mandated health insurance services.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 July 1, 2003.